

The State of New Hampshire

DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

August 23, 2011

Ms. Ida McDonnell, Manager Air Permits, Toxics, and Indoor Air Programs Unit U.S. Environmental Protection Agency, Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912

RE: Response to Comments on Proposed Title V Operating Permit Public Service of New Hampshire (PSNH), Merrimack Station Facility Identification #3301300026, Application #FY96-TV048

Dear Ms. McDonnell:

The New Hampshire Department of Environmental Services, Air Resources Division (DES) has received your letter dated August 10, 2011, which provided comments regarding the Proposed Title V Operating Permit (Proposed permit) for the PSNH Merrimack Station facility located in Bow, New Hampshire. We have reviewed your comments and made changes to the attached Proposed permit in response. Each comment is reiterated below, along with DES' response.

Comment #1:

EPA understands the purpose of issuing Temporary Permits TP-B-0462 and FP-T-0054 is not directly related to a minor new source review permit program required under 40 CFR 51.160-51.164. We understand the changes made by PSNH, which the Temporary Permits address, reduced air emissions under the NSR applicability test. Therefore, conditions that exist solely within these permits are not federally enforceable, and should be identified as state-only enforceable within the proposed title V operating permit. The following conditions should be listed as state-only enforceable in the title V operating permit:

- a. Page 10, condition VII.A
- b. Page 12, condition VII.B
- c. Page 17, Table 5, Item No. 1
- d. Page 17, Table 5, Item No. 4
- e. Page 18, Table 5, Item Nos. 5 and 6
- f. Page 19, Table 5, Item Nos. 7 and 8
- g. Page 20, Table 5, Item No. 9
- h. Page 54, Table 7, Item No. 39
- i. Page 77, Table 9, Item No. 11

DES Response:

DES has revised the Proposed permit such that all conditions referenced in items (a)-(i) in Comment #1 above have been changed to state-only enforceable. The permit now clarifies that

conditions VII.A and VII.B are state-only enforceable by clarifying that all of Condition VII is state-only enforceable. The conditions identified under Items (c)-(g) of Comment #1 above have been moved to the state-only enforceable section in Table 4 of the permit (now listed as Table 4, Items 16-22). Lastly, the permit has been revised to clarify that the conditions identified under Items (h) and (i) of Comment #1 above are state-only enforceable.

Comment #2:

New Hampshire should cite its authority under Env-A 609.05 instead of 40 CFR 70.6(a)(3)(i)(B) since the operating parameters associated with the monitoring/testing requirements are state-only enforceable, for the following permitting conditions:

- a. Page 54, Table 7, Item Nos. 38, 40, and 41
- b. Page 68, Table 8, Item Nos. 16E and 16F
- c. Page 78, Table 9, Item No. 15

DES Response:

DES has changed the regulatory authority to Env-A 609.05 for the above permit conditions.

Comment #3:

Page 24, Item No. 29 in Table 5 of the proposed title V permit and condition IV.E. contained in the minor new source review permit (Temporary Permit No. TP-B-0490) allow for like-kind replacement of the emergency boiler without going through an analysis of new source review. The section of EPA's PSD rules which allow for like-kind replacement (40 CFR 52.21(cc)) was stayed by a federal court on December 24, 2003. Condition 29 must be removed from the proposed title V permit because there is no authority under the Clean Air Act to allow an exemption from new source review for a like-kind replacement.

DES Response:

DES has removed this condition from the Proposed permit per EPA's comment.

Comment #4:

Page 20, table 5, Item No. 9: The annual emission cap for SO₂ from PSNH's three major operating sites is not federally enforceable and needs to be identified as state-only enforceable.

DES Response:

This appears to be the same as EPA Comment #1, Item (g) above. The Proposed permit has been revised per EPA's comment by moving this condition to the state-only enforceable section under Table 4, Item 22.

Comment #5:

Page 23, Table 5, Item Nos. 21 and 22: These conditions need to be removed form the federally enforceable Table to the state-only enforceable table since the permit conditions originate from state operating permits and not new source review.

DES Response:

The Proposed permit has been revised per EPA's comment by moving these conditions to the state-only enforceable section under Table 4, Items 23 and 24.

Comment #6:

Page 22, Table 5, Item No. 19: The exemptions from opacity allowed by Applicable Requirement D are not approved into New Hampshire's SIP and must be removed from Table 5.

DES Response:

The Proposed permit has been revised per EPA's comment by moving this condition to the state-only enforceable section under Table 4, Item 25.

Comment #7:

Page 22, table 5, Item No. 20: The TSP emission limit approved into New Hampshire's SIP does not contain an averaging time. New Hampshire must remove the language in Item No. 20 that allows PSNH to average the TSP emission limit over 24 hours.

"The TSP emission rate shall not exceed 0.30 lb/MMBtu based on a 24 hour calendar day."

In addition, footnote 21 must be removed because emission factors from AP-42 should not be used to determine compliance with an emission limit.

DES Response:

The Proposed permit has been revised per EPA's comment by removing the averaging time and removing footnote 21. Due to moving items from Table 5 to Table 4 per EPA's comments, this condition is now listed in Table 5, Item 13.

Comment #8:

Page 36, Condition VIII.G: Env-A 3100 has not been approved into New Hampshire's SIP and must be identified as state-only enforceable.

DES Response:

The Proposed permit has been revised per EPA's comment by clarifying that Condition VIII.G is a state-only enforceable requirement.

Comment #9:

Page 57, Table 7, Item No. 55: The condition for mercury emission monitoring must be identified as state-only enforceable.

DES Response:

The Proposed permit has been revised per EPA's comment by clarifying that Table 7, Item No. 55 is a state-only enforceable requirement.

Comment #10:

Page 59, Table 7, Item No. 56: PSNH should monitor emissions beginning in 2008, not 2002 as currently stated in the proposed title V permit.

DES Response:

The Proposed permit has been revised per EPA's comment.

Comment #11:

Page 62, Table 8, Item No. 2, Recordkeeping Requirement J: New Hampshire has not been authorized by EPA to change 40 CFR Part 75 testing procedures for calculating heat input rate. The phrase "other method approved by DES" must be removed from the end of Recordkeeping Requirement J.

DES Response:

The Proposed permit has been revised per EPA's comment.

If you have any questions, please contact Gary Milbury of the Air Resources Division, Permitting & Environmental Health Bureau by calling (603) 271-2630 or via e-mail at gary.milbury@des.nh.gov.

Sincerely,

Robert R. Scott

Director

Air Resources Division

rrs/gdm

Enclosure: (Revised) Proposed Title V Operating Permit TV-0055

cc: Donald Dahl, USEPA (via email)

William Smagula, PSNH (via email)

Arthur Cunningham, NH Sierra Club (via email)